



THE COMMONWEALTH OF MASSACHUSETTS  
OFFICE OF CAMPAIGN & POLITICAL FINANCE

ONE ASHBURTON PLACE, ROOM 411  
BOSTON, MASSACHUSETTS 02108  
(617) 727-8352  
(800) 462-OCPF

MARY F. MCTIGUE  
DIRECTOR

May 6, 1991  
AO-91-05

Carl K. King, Esquire  
Goldstein & Manello  
265 Franklin Street  
Boston, MA 02110

Re: Contributions by Business Trusts  
and Partnerships.

Dear Mr. King:

This letter is in response to your request for an advisory opinion. I apologize for the delay in response.

You have stated that your client is a Massachusetts business trust organized under the laws of the Commonwealth, but having its principal place of business in New York. Its primary business is the ownership and management of commercial real estate, either on its own behalf, as a joint venturer, or as a general partner of limited partnerships of which other business entities, individuals and trusts are limited partners. Some of the real estate it owns and/or manages is located within the Commonwealth. Its shares of beneficial interest are not publicly traded, but are owned by numerous persons and entities.

You have a number of inquiries, for which we provide answers as follows:

1. May your client give, pay, expend or contribute money to a candidate for state, county, city or town elective office in the Commonwealth?

Section 1 of M.G.L. c.55 defines a political committee as "any committee, association, organization or other group

of persons . . . which receives contributions or makes expenditures for the purpose of influencing the nomination or election of a candidate, or candidates . . ." The statute also provides for entities such as trusts, foundations and associations, which are not political committees, to make contributions to candidates (see sections 10, 18 (clause 5a of subsection h), and 19 (subsection b)).

The Office has resolved this apparent conflict by interpreting the statute to require that any group which solicits money for the purpose of influencing the nomination or election of candidates register as a political committee. The Office has further stated that any other organization other than a corporation subject to the provisions of M.G.L. c.55, s.8 may make expenditures for candidates, subject to certain reporting requirements and contribution limitations. These requirements and limitations are further described in Interpretative Bulletin 105, "The Applicability of the Campaign Finance Law to Organizations Other Than Political Committees," a copy of which is enclosed for your information.

I note, however, that section 8 of M.G.L. c.55 states, in pertinent part:

No corporation carrying on the business of a bank, trust, surety indemnity, safe deposit, insurance, railroad, street railway, telegraph, telephone, gas, electric light, heat, power, canal, aqueduct, or water company, no company having the right to take land by eminent domain or to exercise franchises in public ways, granted by the commonwealth or by any county, city or town, no trustee or trustees owning or holding the majority of the stock of such a corporation, no business corporation incorporated under the laws of or doing business in the commonwealth and no officer or agent acting in behalf of any corporation mentioned in this section, shall directly or indirectly give, pay, expend or contribute, or promise to give, pay, expend or contribute, any money or other valuable thing for the purpose of aiding, promoting or preventing the nomination or election of any person to public office, or aiding or promoting or antagonizing the interest of any political party.

It is the opinion of this Office that the guidelines presented in Interpretative Bulletin 105 would be applicable to your client as a business trust, provided neither the trustee of the trust nor any of its beneficiaries is a corporation prohibited by section 8 of M.G.L. c.55 from making political contributions. It is this Office's strongly held position that to permit political

contributions to be made by a trust if the trustee or the beneficiaries thereof were business corporations would be to circumvent the prohibitions contained in section 8 of M.G.L. c.55. If, however, no such relationship exists between your client and a business corporation, your client would be permitted to make contributions to candidates, multicandidate committees and political party committees at the state, county or municipal level, subject to the limitation and disclosure requirements set forth in Interpretative Bulletin 105.

2. In the event that your client gives, pays, expends or contributes money to a candidate for state, county, city or town elective office in the Commonwealth, must that contribution be attributable to individual partners if the contribution is made from funds of a particular limited partnership?

A fundamental principle of M.G.L. c.55 is the disclosure of the true identity of individuals or entities making campaign contributions. This is embodied in section 10 which provides, in pertinent part:

No person shall, directly or indirectly, make a campaign contribution in any name except his own nor in any manner for the purpose of disguising the true origin of the contribution . . . ; nor shall any trust, foundation or association . . . make a campaign contribution unless at the time such contribution is made there is also made known to the person receiving such contribution, the names and addresses of its principal officers.

The regulations promulgated pursuant to M.G.L. c.55 also provide that a "contribution check drawn on a partnership account may only be accepted if attributable to individual partners" (see 970 CMR 1.04 (3)). Therefore, it is this Office's opinion that contributions must be attributable to individual partners. It follows that contributions must also be attributed in direct proportion to an individual partner's share in accordance with the terms of the partnership agreement or any amendment thereto and that each partner would be subject to the relevant statutory contribution limitations.

3. May your client give, pay, expend or contribute money to a candidate for state, county, city or town elective office in a state other than the Commonwealth assuming that such a contribution is permissible under the laws of that state?

This Office has previously reviewed the issue of whether a corporation organized under the laws of or doing business in the Commonwealth may contribute to the campaign of an out-of-state candidate (see AO-84-17, a copy of which is

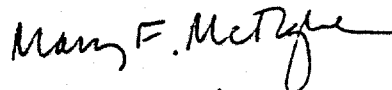
Carl K. King, Esquire  
May 6, 1991  
Page 4

enclosed for your information). Although your client is not a business corporation, a similar analysis may be applied. It is therefore the opinion of this Office that the provisions of M.G.L. c.55, including those contained in Interpretative Bulletin 105, would not be applicable if your client were to contribute to the campaign of an out-of-state candidate.

This opinion has been rendered solely on the basis of the representations made in your letter and solely in the context of M.G.L. c.55.

Please do not hesitate to contact this Office should you have additional questions.

Very truly yours,



Mary F. McTigue  
Director

enclosures  
MFM/wp